

CHAPTER 2

THE MAGNITUDE OF DEPOT MAINTENANCE

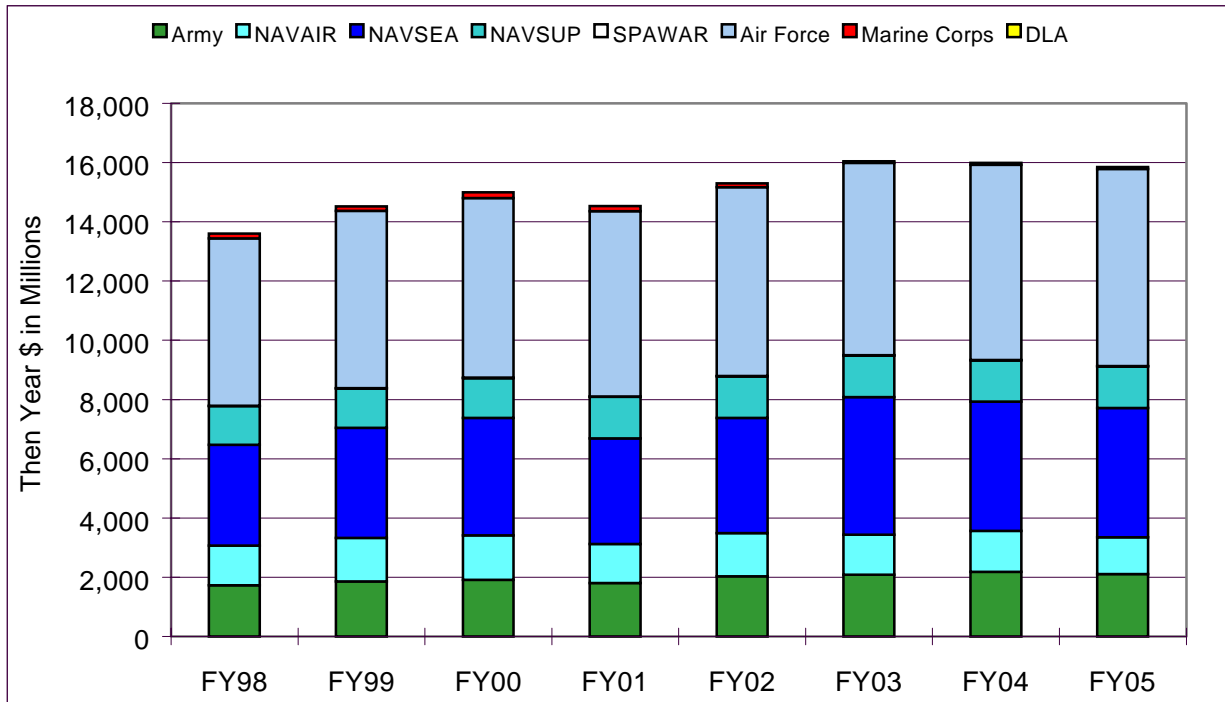
2.1 ESTIMATED DEPOT MAINTENANCE EXPENDITURES

Maintaining the large DoD inventory of equipment and weapon systems requires considerable expenditure of funds. The estimated expenditure to accomplish the depot maintenance mission is depicted in Chart 2-1. Chart 2-1 is reflective of the customer's perspective - the Service responsible for obtaining depot maintenance support of its assigned equipment from a variety of performing activities (which may include depots from its own Service, those of other Services, and contractors). The data in Chart 2-1 include funds for depot maintenance Interim Contractor Support (ICS) and Contractor Logistics Support (CLS).

The expenditure data in Chart 2-1 was submitted in response to a data call for the period FY98 through FY05. FY98 and FY99 data reflects actual Service expenditures for the accomplishment of depot maintenance. FY00 data is based on the congressionally approved budget. FY01 is based on the President's Budget, and FY02-FY05 data is based on the Services' last Program Objectives Memorandum (POM) submissions. The data track closely to the depot maintenance expenditure data in the "50-50" report; however, in some cases the Services and SYSCOMs provided updated expenditure data.

The depot maintenance expenditures estimate increases 5.7 percent for the period FY00 through FY05 (in then year dollars); however, constant FY00 dollars for the same period reflect a decrease of 6.9 percent. The level of contract workload reflects an increase from FY00 through FY05 from a level of \$6.5 billion to \$6.9 billion, or approximately 6.3 percent (then year dollars). In FY00 constant dollars this a 6.3 percent decrease.

Chart 2-1
Estimate of Depot Maintenance Expenditures
(Then Year \$ in Millions)



	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>	<u>FY02</u>	<u>FY03</u>	<u>FY04</u>	<u>FY05</u>
Army	1,733.9	1,859.8	1,917.0	1,806.2	2,033.7	2,090.0	2,181.3	2,106.8
NAVAIR	1,335.7	1,472.2	1,497.9	1,318.4	1,452.4	1,349.3	1,381.3	1,247.0
NAVSEA	3,404.3	3,716.5	3,962.0	3,566.0	3,896.4	4,643.8	4,364.6	4,364.6
NAVSUP	1,305.9	1,320.0	1,346.8	1,398.0	1,397.4	1,398.9	1,395.6	1,396.1
SPAWAR	11.7	13.4	15.2	15.4	15.8	15.7	15.4	15.5
Air Force	5,651.1	5,985.6	6,061.2	6,257.5	6,377.5	6,487.6	6,588.0	6,650.6
Marine Corps	157.1	157.0	194.8	174.1	123.7	59.9	64.5	69.2
DLA	<u>0.1</u>	<u>0.2</u>	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>
Total	13,599.8	14,524.7	14,995.1	14,535.8	15,297.2	16,045.3	15,990.9	15,850.0

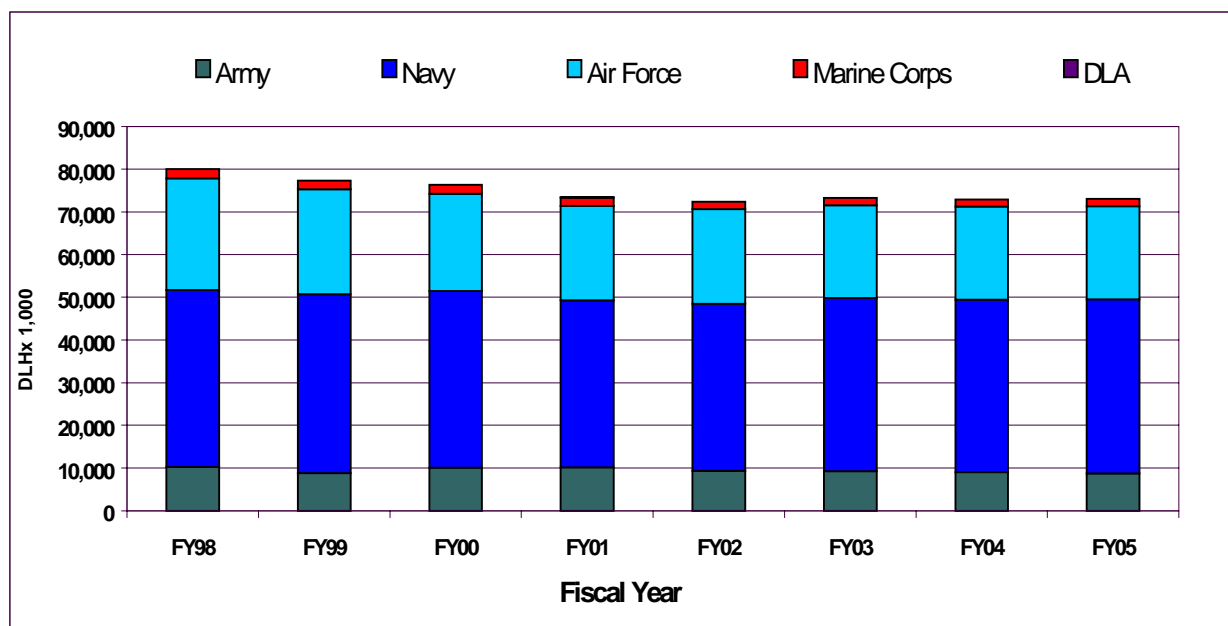
Notes:

- DLA and SPAWAR amounts are included in Chart 2-1, but are not visible in the graph.
- Funds for depot maintenance ICS and CLS are included.
- Navy data excludes Military Sealift Command.
- Due to rounding, figures may not add exactly.

2.2 ORGANIC WORKLOAD

Chart 2-2 shows the organic workload trend for FY98-FY05 in direct labor hours (DLH) from the agent Service's perspective--the organizational activity that performs depot-level maintenance support to a variety of customers (which may include its own Service, other Services, and other Federal Agencies). The data reflects workload from all funding sources (i.e., agent Service Operations and Maintenance (O&M); Procurement, Research, Development, Test, and Evaluation (RDT&E) appropriations, agent Service stock fund; and reimbursables such as other Services and Foreign Military Sales (FMS) customers).

Chart 2-2
Joint Service
Organic Workload (DLH 000)



	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>	<u>FY02</u>	<u>FY03</u>	<u>FY04</u>	<u>FY05</u>
Army	10,273.6	8,812.0	10,090.3	10,136.8	9,382.4	9,271.7	9,023.7	8,730.6
Navy	41,473.7	41,918.0	41,364.8	39,136.1	39,111.0	40,546.1	40,367.2	40,773.5
NAVSEA	28,783.4	29,819.9	28,789.7	27,027.2	27,011.1	28,454.2	28,274.3	28,680.6
NAVAIR	12,195.3	11,557.1	12,156.1	11,711.9	11,711.9	11,711.9	11,711.9	11,711.9
SPAWAR	495.0	541.0	419.0	397.0	388.0	380.0	381.0	381.0
Air Force	26,090.0	24,572.0	22,821.0	22,129.0	22,125.0	21,748.0	21,840.0	21,840.0
Marine Corps	2,218.0	1,995.4	2,089.8	1,956.3	1,720.4	1,720.4	1,720.4	1,720.4
DLA	4.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
JOINT SERVICE	80,059.3	77,305.4	76,373.9	73,366.1	72,346.9	73,294.2	72,959.3	73,072.5

Notes: NAVAIR, NAVSEA, and SPAWAR totals in Chart 2-2 are subsets of the Navy total. Due to rounding, figures may not add exactly.

Table 2-1 provides the organic workload data shown from the joint Service perspective sorted by major commodity.

Table 2-1
Joint Service Organic Workload by Major Commodity
(DLH 000)

	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>	<u>FY02</u>	<u>FY03</u>	<u>FY04</u>	<u>FY05</u>
Aircraft Airframes	13,295.4	12,924.3	13,024.4	11,708.7	11,505.7	11,153.7	11,201.7	11,172.7
Aircraft Components	14,150.1	13,644.8	13,840.3	14,637.6	14,679.1	14,773.9	14,661.9	14,630.8
Engines (Gas Turbine)	4,201.0	3,635.9	2,788.0	2,164.2	1,995.4	1,989.3	1,921.3	1,905.2
Missiles & Components	1,323.9	1,296.2	1,570.9	1,568.6	1,540.2	1,714.2	1,796.2	1,637.2
Amphibians	702.5	634.4	601.9	595.1	522.1	522.1	522.1	522.1
Ground Combat Vehicles	3,998.7	2,985.2	3,062.6	3,068.0	2,714.1	2,469.7	2,409.7	2,402.0
Ground & Shipboard C-E	4,105.2	3,827.3	3,818.9	3,823.7	3,851.0	3,873.0	3,774.0	3,751.0
Automotive / Construction	221.9	199.3	291.4	296.3	258.4	253.1	253.1	252.7
Tactical Vehicles	333.9	289.8	444.2	384.9	351.4	348.4	339.4	331.4
Ground General Purpose	262.4	259.9	338.2	277.1	293.5	304.9	311.9	302.8
Ord., Weapons & Munitions	853.5	817.5	1,028.0	982.9	978.8	1,008.8	1,042.8	1,003.2
Sea Systems	27,520.8	28,676.5	27,479.5	25,714.3	25,614.6	27,009.7	26,806.8	27,255.1
Software	2,546.0	2,430.0	2,263.0	2,153.0	2,121.0	1,990.0	2,058.0	2,058.0
Special Interest Items	250.6	370.8	269.8	319.9	296.5	296.5	294.5	293.5
Other	974.3	604.7	838.3	844.5	826.5	825.5	821.5	816.5
Associated Fabrication/Mfg.	1,408.9	1,119.4	1,072.4	1,057.8	1,030.9	993.8	976.8	970.6
Fleet Support / Field Support	<u>3,910.2</u>	<u>3,589.5</u>	<u>3,642.1</u>	<u>3,769.7</u>	<u>3,767.7</u>	<u>3,767.7</u>	<u>3,767.7</u>	<u>3,767.7</u>
TOTALS	80,059.3	77,305.4	76,373.9	73,366.1	72,346.9	73,294.2	72,959.3	73,072.5

Note: Due to rounding, figures may not add exactly.

2.3 CONTRACT WORKLOAD

Table 2-2 presents the contract workload from the joint Service perspective sorted by major commodity.

Table 2-2
Joint Service Contract Workload by Major Commodity
(Then Year Dollars in Millions)

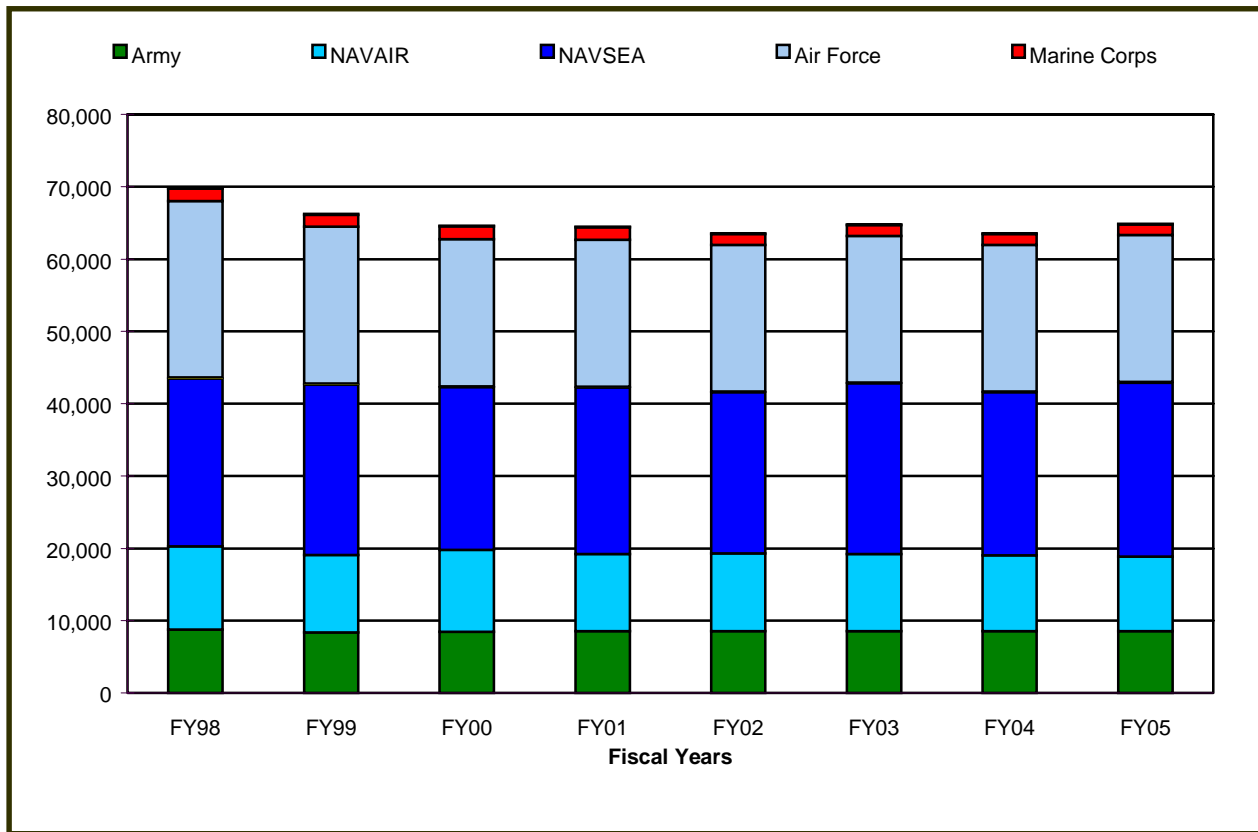
	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>	<u>FY02</u>	<u>FY03</u>	<u>FY04</u>	<u>FY05</u>
Aircraft Airframes	1,241.6	1,543.1	1,509.7	1,587.7	1,610.8	1,691.1	1,747.6	1,794.0
Aircraft Components	1,381.2	1,643.1	1,642.9	1,991.6	1,928.8	1,902.3	1,912.5	1,852.2
Engines (Gas Turbine)	130.5	187.2	352.8	358.8	361.0	358.4	359.2	359.5
Missiles & Components	117.8	168.5	138.7	170.9	183.3	189.4	244.6	184.1
Amphibians	0.0	43.8	49.5	48.0	43.5	9.8	9.8	16.6
Ground Combat Vehicles	113.6	110.8	121.6	134.5	134.6	140.8	137.8	140.6
Ground & Shipboard C-E	150.7	166.4	121.8	117.7	163.7	159.8	167.3	167.5
Automotive/Construction Equipment	7.2	11.5	21.4	27.2	8.3	7.3	7.4	10.4
Tactical Vehicles	5.3	32.8	32.4	28.8	35.1	41.8	35.9	37.3
Ground General Purpose	36.5	34.4	28.4	27.2	32.5	28.5	28.9	29.6
Ord., Weapons & Munitions	35.9	30.2	30.4	31.1	31.3	32.5	34.1	31.9
Sea Systems	1,172.1	1,610.8	1,600.0	1,493.6	1,356.0	1,355.0	1,482.4	1,479.8
Software	387.7	458.7	430.1	429.1	445.2	454.8	474.9	483.7
Special Interest Items	0.0	17.2	17.5	17.8	0.0	0.0	0.0	0.0
Other	414.9	327.9	361.0	345.9	350.4	358.9	351.0	334.9
Associated Fabrication/Mfg.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fleet Support / Field Support	<u>42.7</u>	<u>47.6</u>	<u>54.2</u>	<u>18.0</u>	<u>63.5</u>	<u>54.0</u>	<u>39.9</u>	<u>0.0</u>
TOTAL	5,237.7	6,434.1	6,512.2	6,827.9	6,748.1	6,784.4	7,033.2	6,922.0

Notes: Due to rounding, figures may not add exactly. Funds for ICS and CLS are included.

2.4 DEPOT MAINTENANCE PERSONNEL LEVELS

Chart 2-3 provides an overall view of the assigned depot maintenance personnel levels by Service for FY98 through FY05. The assigned depot maintenance personnel include permanent military and civilian personnel, both direct and indirect, and temporary and part-time personnel. The personnel data reflect the actual or projected end on board strength as of 30 September of the fiscal years. Appendix B provides the FY98-FY05 personnel levels by depot, broken out by direct and indirect and by military and civilian workers, when possible.

**Chart 2-3
Total Assigned Depot Maintenance Personnel**



	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>	<u>FY02</u>	<u>FY03</u>	<u>FY04</u>	<u>FY05</u>
Army	8,760	8,390	8,471	8,559	8,563	8,564	8,566	8,566
NAVAIR	11,536	10,725	11,315	10,682	10,746	10,645	10,486	10,328
NAVSEA	23,130	23,502	22,456	22,954	22,223	23,557	22,491	23,986
SPAWAR	191	183	156	156	144	139	139	139
Air Force	24,384	21,681	20,339	20,325	20,291	20,291	20,291	20,291
Marine Corps	1,721	1,635	1,763	1,698	1,497	1,497	1,497	1,497
DLA	<u>116</u>	<u>115</u>	<u>112</u>	<u>84</u>	<u>84</u>	<u>84</u>	<u>84</u>	<u>84</u>
TOTAL	69,838	66,231	64,612	64,458	63,548	64,777	63,554	64,891

Note: DLA and SPAWAR amounts are included in Chart 2-3, but are not visible in the graph.